



SC1: Public Policy

Module 2

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Module 2

Understanding public policy

Introduction

This module explains what policy is and how it is understood in our society. It explores the reasons why policy is introduced, the types of policy that develop and the ways they are delivered. The cyclical model of policy that underpins much policy-making theory is also considered.

The terms “model” and “theory” will be used frequently during this course. While they are not always interchangeable, sometimes a model can be formulated to illustrate a theory.

As you work through this module, find the answers to the following questions:

- How can we define and understand policy?
- Why is there policy theory? What purpose does it serve?
- What prompts governments to formulate policy in different areas?
- Is policy-making simply decision-making or is there more to it?
- Why is policy-making an important field of study?

Upon completion of this module you will be able to:



Outcomes

- *provide* three meanings of public policy and *explain* the differences between them
- *define* public policy in terms that indicate its public nature
- *list and explain* how policy is studied
- *list* the diverse areas in which governments make policy and *explain* why they do so
- *identify* the outputs of government that might be called policy
- *explain* the stages of the policy cycle
- *explain* what “good” policy is and why it is important
- *demonstrate* how policy should be managed.



Terminology



Terminology

Policy design:	A type of analysis that occurs during formulation of a policy.
Policy evaluation:	Step in the policy process that assesses whether policies and programmes are working.
Policy formulation:	The development of proposed courses of action to help resolve a public problem.
Policy implementation:	The development of a programme's details that ensure policy goals and objectives will be attained.
Policy instrument:	The tool that governments use to intervene in a given problem or issue.
Policy legitimation:	Step in the policy process that gives legal force to decisions, authorises or justifies policy action.
Policy outcome:	The effects policy output has on society.
Policy outputs:	The formal actions that governments take to pursue their goals.

The meaning, nature and scope of policy

There are many definitions of public policy. They vary from being all-encompassing to very specific, and some place emphasis on how policy is made, whereas others emphasise the content.

Some discussions treat public policy as the emerging outcomes of complex negotiations between groups; others deem it to be a predetermined course of action made by representatives of the people.

Anderson (1990) defines public policy as “anything governments choose to do” (p. 4).

Policy is not a simple phenomenon but is rather complex and multifaceted. Although most policy seems to be a straightforward statement of what will be done, the stated objectives may not be the only ones or the most important. Other covert or subconscious objectives may exist.

Anderson (1990) lists another definition that labels policy as “[a] purposive course of action followed by an actor or set of actors in dealing with a problem or matter of concern” (p. 5).

Anderson (1990) states the implications of this definition as:

- being goal-oriented rather than random, although goals could be loosely stated and unclear

- consisting of courses or patterns of action taken over time by government officials rather than discrete, separate decisions
- consisting of the decisions and statements that emerge in response to policy demands, or demands for action or inaction by other actors
- involving what governments actually do, not what they intend to do, including policy outputs in pursuance of decisions and statements
- being positive or negative
- being accepted as legitimate, authoritative and legally based (pp. 6-8).

Turner and Hulme (1997) define the range of policy as:

- a label for a field of activity
- an expression of general purpose
- specific proposals
- decisions of government
- formal authorisation
- a programme
- output
- an outcome
- a theory or model
- a process
- decision-making, implementation and evaluation (p. 59).

Bridgman and Davis (2000) provide a similar list. They state public policy:

- is intentional, designed to achieve a stated or understood purpose
- involves decisions and their consequences
- is structured and orderly
- is political in nature
- is dynamic (p. 3).

Finally, Davis, Wanna, Warhurst & Weller (1993) provide a richer explanation of policy:

...[P]ublic policy is the complex interplay of values, interests, and resources. Policies express values, support or curtail interests and distribute resources. They shape, and are shaped by, the constituent elements of politics, so that policies represent victories or compromises encapsulated as programmes for action by government. (p. 4)



Activity 2.1



Activity

Look for government policies currently being discussed in the media.

1. Do the definitions and features covered in this module help describe any of the policies?
2. If so, which definitions and features?
3. How do they help describe the policy?

Understanding various definitions will help you be aware of the range of assumptions made in relation to policy. You should consider these assumptions when assessing the points made in the literature.

Being familiar with the definitions can help you recognise the one adopted by the author(s) listed above. You should also understand the position the author(s) are taking in terms of defining the policy and how it is being stated.

Activity 2.2



Activity

1. Which aspect of what your government “chooses to do” may be excluded by using a narrow definition of policy?
2. Why would it be excluded?

Case studies



Case study

Case study comments

Case 2: The policy in this case is clearly a purposive action by a national government. It was actively pursued, and several actors with varying values were directly involved and later affected. Whether the policy was structured and orderly is arguable. It seemed to evolve, its goals defined in loose terms, although with specific political intentions. Earlier in the process there were policy statements such as the Green Paper, and later the policy was legislated into being.

Case 4: This is an intentional economic statement in which two specific pieces of legislation are mentioned – the Cable Communications Policy Act of 1984 and the Cable Television Consumer Protection and Competition Act of 1992. These two Acts, while both relating to cable communications, have clearly different points of focus.

Case 9: This case shows that international aid is often delivered through governments and yet has substantial public impact.

Case 12: This case details a policy area (such as Turner and Hulme's field of activity) and covers a range of policy activities related to housing.

The nature of public policy

There has been some debate about what makes a policy public rather than private.

We often assume everything governments do is public policy and everything the private sector does is not, but this distinction is difficult to support. Activities by the private sector can have a significant impact on the public at large. Regulatory powers of governments, in areas such as pollution control and industrial safety, clearly state that private sector activity is of public interest and that governments can engage in commercial activities that may have little impact on the public.

Governments can also implement policies through private sector agents.

King (1990) indicates that:

...[c]ontemporary political life is characterised by an apparently messy co-mingling of the public, private and semi-public. Not only do some individuals move with increasing ease between public and private institutions – senior civil servants, for example – but public decision processes frequently embrace both official (governmental) and non-official groups. The question of where the state begins and ends is further complicated by theoretical positions attributing an overarching function or purpose for the



state, so that any agency contributing to that purpose is deemed part of the state apparatus (p.3).

King goes on to suggest that media or educational institutions could be seen as agencies contributing to the state purposes and as such a part of the state's apparatus (1990, p. 3).

Case studies



Case study

Case study comments

Case 4: Most telecommunications of a country are provided by private sector organisations, but governments can intervene through regulation, court decisions or control of market mechanisms.

Case 5: This case is almost entirely about a private company. It fits into the arena of public policy because it gives account of a major disaster, the ensuing legal battles over liability and compensation and the laws that resulted. It also relates to international issues, jurisdiction and sovereignty. This case transcended the borders between India and the United States, causing both countries to develop responses. Business was also affected by the tragedy and the event prompted reformulation of private business policies as well as those in the public arena.

Case 9: This article describes a range of aid donated and delivered by various organisations. The benefits gained by the aid are of private and personal importance.

Case 12: This case illustrates the impact on the public and private sectors in relation to a particular policy (housing). The government uses private sector and community organisations to achieve its desired outcomes and does this by funding or subsidising their activities, encouraging and legislating for their formation and monitoring their activities. The private developers, in turn, affect society at large by providing the housing while the government regulates and controls their activities.

Activity 2.3



Activity

1. Think of private sector activity in your country that is of interest to the public and elicits government response, for example, laws and regulations.
2. Name a government-owned enterprise in your country.

Theories of policy

In the areas of administrative and organisational studies, the discussion of public policy uses theories as tools to help explain complex and unclear areas. Although they are useful, it is not realistic to expect them to provide moulds that policy-making will always fit into.

Theories provide a common language and the means to try to recognise patterns of activity and procedures. They can help make sense of apparent chaos but can also question the assumptions we make about how things are done and provide broader ways of looking at how policy is made.

Theories are descriptive and/or prescriptive.

Descriptive

These theories describe what is happening or what has happened.

Prescriptive

These theories state how situations should be. A normative policy-making model provides a formula, or prescription, for the way policy-making should occur. Normative models generally improve policy-making.

The study of public policy is reductionist in nature. It seeks to break down a policy into its parts in order to understand what is going on. The parts are then brought together in a broader, more holistic, understanding.

It is not possible to discuss policy-making actors without discussing the process in which they occur, just as it is not possible to discuss the process without considering the participants and system.

There are numerous other terms used in literature relating to public policy and policy-making.

The following are explanations of commonly used terms, adapted from Hogwood and Gunn (1984).

Studies of policy content: focus on the origins, intention and operation of specific policies (primarily descriptive).

Studies of policy process: identify how policies are made by analysing the actions taken by various actors at each stage of the process (primarily descriptive).

Studies of policy outputs: analyse patterns in policy outputs by use of statistics or performance indicators (largely descriptive).

Evaluation studies: evaluate policies in terms of how they have achieved their objectives (largely descriptive).

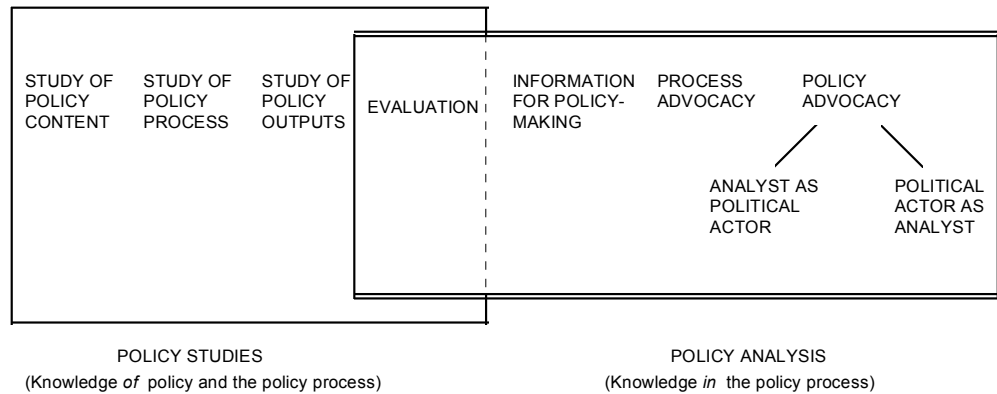
Information for policy-making: information collected to help make policy decisions (equates with policy appraisal).

Process advocacy: is concerned with analysing the policy-making process and changing it (a prescriptive approach).

Policy advocacy: analyses policy to make an argument for a particular policy (primarily prescriptive). (pp. 26-29)

The following is a diagram representing the range of the terms (Hogwood and Gunn, 1984, p. 29) and shows how they may be classified.

Figure 2.1: Types of public policy studies



Source: Hogwood & Gunn (1984)

The focus of this course is the study of policy at a theoretical level. We are mostly concerned with what Hogwood and Gunn (1984) classify as policy process in the above typology.

Case studies



Case study

Case study comments

Case 1: This study compares the policy content of various countries.

Case 4: This case is of policy advocacy. The writer is presenting the political opinion of the politician. The ideological position of the writer is clearly stated – government regulation, and not economic factors, may be the real bar to competition in those markets and competition is superior to continuing rate regulation. Keep in mind that some people or groups might take a different position. Advocacy is also apparent where the report states that financial interest and syndication rules are unnecessarily restrictive, referring to broadcasting networks being erased.

Case 9: This case presents evaluative comment on current aid activity in Bangladesh.

Case 11: This case covers those of process advocacy. Its message is that if communities were consulted and involved in policy-making better solutions would be generated and the communities would then contribute ideas and information to other policies.

Case 12: This case emphasises the content of a policy area – housing. It also contains evaluative comments and some analysis of policy outputs.

Activity 2.4



Activity

Read a media article about government policies in your country. Note which approach is being taken – policy study or policy analysis.

Use Hogwood and Gunn’s typology of terminology to consider the perspective of the writer.

1. What perspective is the author writing from?
2. Why do you think they are writing from this perspective?

Objectives of policy

Traditionally the roles or functions of government have been clearly enunciated.

Tables 2.1 and 2.2 illustrate the functions and ways a government intervenes when the market fails and what involvement the public sector might have.

Activity 2.5



Activity

Use the third column of Tables 2.1 and 2.2 to add your own example.



Table 2.1: Functions of government activity

Functions of government	Explanation Functions governments are expected to fulfil in typical Western capitalist democracies	Your examples
Provide economic infrastructure	Governments provide basic institutions, rules and arrangements; or the means to allow a system to function. For example, protection of property rights.	
Provide various collective goods and services	Public goods beneficial to society such as currency, education, health, clean water and sewerage.	
Resolve and adjust conflicts	Provide law, rules and regulations, industrial relations, and so on , to resolve disputes between individuals, groups and institutions.	
Maintain competition	Maximise the operation of competition in the market.	
Protect natural resources	Protect against depletion of natural resources.	
Provide access for individuals to necessary goods and services	This relates to issues such as poverty, unemployment, homelessness, health, old age and language barriers.	
Stabilise the economy	The government is responsible for this to ensure society's well-being.	

Source: Derived from Hughes (1998)

Table 2.2: Causes of government involvement

Causes of government involvement	Explanation Many of these relate to market failure. When the market cannot, or will not, the government will.	Your examples
Public goods	Goods that benefit all. Public parks, clean air, and national defence, education and health care.	
Externalities	The provision of regulations or services to counteract the effects of market transactions. For example, providing public transport to prevent traffic congestion.	
Natural monopoly	When declining marginal costs mean it is cheaper for a single supplier to operate. Competition between suppliers could lead to exploitation of consumers.	
Imperfect information	Also known as “asymmetric information”. The market does not provide “perfect” information to consumers so the public sector intervenes to ensure this information is provided. For example, packaging information for consumer protection.	

Source: Derived from Hughes (1998)

A government is expected to achieve public benefits, such as equity, justice and accountability, for using public funds. The public also has a vested interest in the choices made in relation to fund expenditure.

It is often argued that many functions that governments perform are better suited to the private sector. This has led to an increase in the privatisation and a reduction in size of many Western public sectors since the late 1980s.

Case studies



Case study

Case study comments

Case 4: Two government objectives pursued in this case are the maintenance of competition through the deregulation and resolution of conflict through court decisions. A natural monopoly is a cause for government involvement, so there is some pressure against the deregulation.

Case 5: Externalities are evident here in tragic and unintended spillover effects due to the activities of Union Carbide. The Indian Government was compelled to step in and deal with the situation in various ways, including dealing with the effects of the externalities and providing a resolution to the conflict. The United States Government also reacted to the potential threats.

Case 11: The provision of toilet facilities appears to represent direct government provision of minimum facilities to ensure basic services for the population.

Case 12: In this case the government aims to provide its citizens minimal access to housing as goods of the economy. It also provides basic rules and regulations to set up suitable infrastructures to encourage the building of housing. It tries to rectify conflict and failings in the market by encouraging municipal authorities to make land and services available for new housing projects. The state bodies also turn their attention towards regulating and controlling the informal housing sector.

Types of policy instruments

In this section we examine the ways policy is achieved.

Arrays of instruments are used to explain how a policy is affected and/or delivered. Which instrument is most applicable depends on the nature of the issue being dealt with.

The key instruments that governments use to implement policy are explored in Table 2.3.

Activity 2.6



Activity

Add your own examples to the third column of table 2.3

Table 2.3: Instruments of government activity

Instruments of government	Explanation The way government acts or the mechanism used when justifying its actions	Your examples
Government provision	Especially relevant when the private sector does not provide the goods and services in question.	
Allocation	The grant of funds to particular programmes or functions	
Distribution	The redress of perceived inequalities in wealth and income	
Stabilisation	Improving the economy through budgetary policy	
Subsidies	Specific grants to the private sector, such as industry or farming grants. These differ from government provision by also providing assistance for the manufacturer.	
Production	The production of actual goods or services such as electricity. This can also be used in conjunction with subsidy, such as pensioners being charged lower rates for electricity.	
Regulation	Laws and regulations that affect economy or justice	

Source: Derived from Hughes (1998)

Case studies



Case study

Case study comments

Case 2: In this case it can be argued whether the policy instrument was ultimately provision, distribution or subsidy. Sometimes policies do not fit clearly into certain categories.

Case 4: In this case there is evidence of cross-subsidies and direct subsidies being used to protect the consumer during the transition to deregulated telecommunications.

Case 5: In this case legislation was written to protect employees of such companies affected by this disaster. The important question policy asked related to how these incidents could be prevented by using the instruments outlined above.

Case 12: In this case the government regulates and subsidises housing. The regulation and subsidisation varies but there is evidence of the government providing funds to private sector firms and community organisations.

Activity 2.7



Activity

Think of a policy with which you are familiar.

1. What is the policy?
2. Who is involved with it?
3. What powers and values do the people have?
4. How much control do the assumed policy-makers have?
5. How much is left in the hands of others?

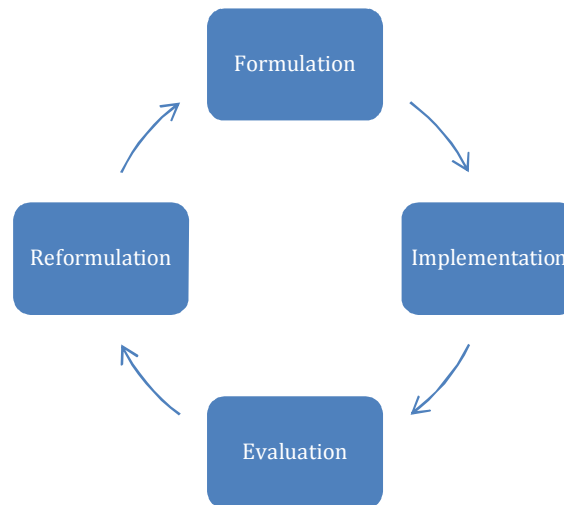
The policy cycle

A fundamental approach to studying public policy is to break it down into steps using the cyclical model. Whether these steps are distinct or even sequential is a matter of dispute.

The model is a framework that helps us understand the policy process but is often flawed when applied to real situations.

The model is usually represented as the following cyclical process.

Figure 2.2: A sequential model of policy-making



Source: Pollitt, ed. 1979, p. 10

A broader picture of the cyclical model would show:

- Formulation
 - policy initiation
 - appraisal
- Implementation
- Evaluation
 - policy continuation
 - learning
- Reformulation.

This model is a useful tool for identifying parts of the policy-making process, and despite its limitations it is a convenient basis for the exploration of how policy is made and carried out.

Activity 2.8



Activity

Think about policies currently being given media coverage.

1. Is there a distinct formulation stage?
2. At what stage does formulation occur?
3. Are the policies existing policies that are being adjusted?
4. If so, why are they being adjusted?

Case studies



Case study

Case study comments

Case 5: When this case was put on the policy agenda there were some reactions which could be construed as formulation, with implementation pending.

Case 7: There are some cogent objections to the cyclical approach to studying policy-making which the authors label from a theoretic perspective.

Case 11: This case begins at the evaluation stage where the participants (SPARC) evaluate the existing policy as it is being implemented. Their evaluation leads to a reformulation of policy which is then implemented.

Case 12: This case illustrates that policy is complex, multi-faceted, constantly changing and responsive to change due to its historical nature.

The policy agenda

Each government is faced with a series of demands relating to the economy, education, housing, public morals, international relations and agriculture. Some demands are actioned, some not, and some are neglected.

Non-decision-making is a means of preventing issues from entering the political process and not being heard. There is some debate over the issue of non-decision-making, and some viewpoints are that:

- it is impossible to study what does not occur
- non-decision-making is actually decision-making, as there are powers that are actively suppressing issues from being discussed or heard (Ham & Hill, 1984).

There is considerable arbitrariness to policy initiation. It is necessary to examine why some things are discussed and why others are ignored. For example, why is environmentalism now an issue when it was not in past years? What changed it from being an issue only a few were concerned with to an issue of broad concern?

Hogwood and Gunn (1984) point out that there has been considerable research on agenda-setting in many areas but that there are still closed fields such as defence and science policy.

They examine the validity of strategies for undertaking an active search for issues rather than relying on issues to emerge.

Some strategies they examined are:

- **anticipating problems** and opportunities despite the fact that there are technical, time and knowledge constraints
- **identifying problems**, even if there is only weak evidence, to help prepare for future problems
- **rectifying** unequal access to the policy agenda.

This last strategy is described as a political minefield. Rectification of inequality may depend on your perception of that inequality. The solution offered by a Marxist would be different from that offered by a pluralist. (Hogwood & Gunn, 1984)

The problems resulting from an active search for issues would include analytical and political overload. The number of conflicting values and goals of various parties and the sheer amount of data and information to be analysed would be prohibitive. (Hogwood & Gunn, 1984)

Policy agendas include what governments decide are important, worthy of consideration or action and also include policies by pressure groups, public opinion, the media and others.

They classify agenda items as:

- **annually** recurring, such as budget-related items
- **less regular** but cyclically recurring, such as the demands for an incomes policy
- **new items**, which in turn become recurring or quietly disappear

Political power is very important in the discussion of policy agendas and is probably the major determinant of them. If people or groups have political power they are often motivated to use it.

Activity 2.9



Activity

Think of an issue that has failed to make it onto the policy-making agenda.

1. Why did it fail to make it onto the agenda?
2. Does the notion of non-decision-making help to explain its failure?
3. If so, how?

Think of an example of a policy in your country.

1. How did it get on to the policy agenda?
2. Why did it get on to the policy agenda?



Here are some specific factors that may influence the policy agenda.

Ideology – political beliefs and values

The ideologies of political parties help to govern their policies. These may be pragmatic or idealistic. Even non-action on a policy demand can reaffirm a certain ideology or belief. Factions within parties also have ideological differences and can negotiate, often in fairly obvious power plays, for consideration of their ideas. The transformation of British public policy in the 1980s is largely due to the ideology of then Prime Minister Margaret Thatcher and the Conservative Party.

Pressure groups

These can have a strong impact on policy depending on their power bases and the interest they can raise. An Australian pilots' strike in 1989 showed that a trade union could bring the country to a relative standstill to get its point of view across. Other groups use protest marches or rallies.

Elections/public opinion

These determine who wins power. Citizens vote for the party that best reflects their point of view. A number of issues are usually highlighted at each election. Many issues, however, do not come to the fore and some are politically avoided. Few governments would decide to bring back capital punishment once it has been abolished (although the issue often reaches the policy agenda in terms of media discussion when an unpleasant crime occurs).

Crises

These are issues that governments must respond to, and they often emerge on a regional, national or even global level. Natural disasters, extreme acts of violence or issues such as AIDS fit into this category.

Changing conditions

These are usually technical developments, social events or other occurrences, which cause an adaptation of policy or the introduction of new ones. Advances in medical technology, for example, have led to the need for laws to guide decisions about surrogate motherhood, custody and in vitro fertilisation. A government may also respond to another country's changed circumstances by introducing or altering their policies.

Culture and religion

These influence the sort of policy items that will be in force or given consideration. For example, equal opportunity policies are not likely to be given the same interpretation in one country as in another. The cultural belief in the United States that anyone can become rich through hard work may lead to policies that emphasise free market activity as opposed to government intervention.

Inertia

This occurs when policy issues are not considered, or policy remains unchanged, because no one has the time or energy to examine them.

Civil or public servants

Civil servants influence the policy agenda when they are advising ministers about issues. As implementers of policy, public servants may be able to identify problems with policies that are in effect or those being discussed.

Identification of problem areas from problem evaluation

Some problems may emerge as a result of investigation into another policy area. For example, investigation in schools as to why children are not learning might reveal they come from low socio-economic groups.

Particularity

If an issue has achieved particularity, its effects highlight a much larger problem. For example, the problem of acid rain highlights an issue with atmospheric pollution.

Emotive aspects

An issue may have an emotive or human interest angle that helps draw attention to it, such as the incidence of children affected by the drug thalidomide or the use of child labour.

Wide impact

An issue that is likely to have a wide impact on citizens may find itself on the agenda. Changes to financial situations or a health scare is likely to cause a reaction.

Power and legitimacy

If an issue raises questions about power and legitimacy, there is likely to be considerable debate. Some examples are union rights, ownership of electricity and land rights.

Fashion

Some issues are fashionable due to many of the factors above. Examples are environmentalism, free trade, multiculturalism, and transparency in government. Whether fashionable issues have intrinsic merit or not is a matter of opinion.

Case studies



Case study

Case study comments

Case 2: The policy change in this case seemed to be based on ideological as well as changing conditions. There were increasing numbers of students going through university, or wishing to do so, and insufficient funding. These two factors were the main drivers for getting the item on the agenda, though it is important to remember it was put there by a minister in the political executive.



Case 5: A crisis was the obvious cause for precautions, regulations, inspections and warnings relating to chemical plants, as well as disaster management strategies being put in place. The Bhopal tragedy gave a boost to efforts involving chemical disclosure laws. (This pertains to American law.)

Case 8: The building of the dam emerged from a history of belief in dam-building as a technical solution to agricultural and other problems. More obvious in the case was the potential for something “radical” to be unleashed if people were treated as expendable and excluded from the resource base because of the dam construction.

Case 10: Pressure from the community and its representative groups brought about action in this case. In 1982 and 1985, the Nivara Hakk applied pressure to win a conditional reprieve with much media coverage. This led to a concession that all those who were on the site before 1980 could qualify for rehousing.

Case 11: The revision of municipal policies appears to have resulted from the work of pressure groups such as SPARC, Mahila Milan and NSDF in relation to unsatisfactory living conditions. Without their intervention more time might have passed before a crisis stimulated any action.

Case 12: Early in the case, changing circumstances relating to urbanisation and industrialisation caused a need for a housing policy in the cities. As housing groups developed and matured, their capacity for applying pressure increased – particularly if they formed alliances. It is likely housing is always on the policy agenda because it has such a wide impact on society.

Activity 2.10



Activity

Name a key issue currently being considered as public policy in your country.

1. What policy agenda items emerged recently as a result of the analysis of existing policies?
2. Why did they appear?

Policy appraisal

The terms “appraisal” and “evaluation” are often used interchangeably. Both refer to some kind of assessment of policy or proposed policy.

Policy appraisal and evaluation are essentially the same, but their placement in a cyclical model determines how they are classified.

We distinguish between them as follows:

- **Appraisal** occurs when **potential** policies are being assessed
- **Evaluation** occurs when **existing** policies are being assessed.

There are various methods available to approach the task of appraisal and evaluation and most imply that the process is rational and value-free. None is, however, so whatever model is being used can, in itself, build hidden values into an objective process.

Policies must be thoroughly appraised before they are finalised, continued or modified.

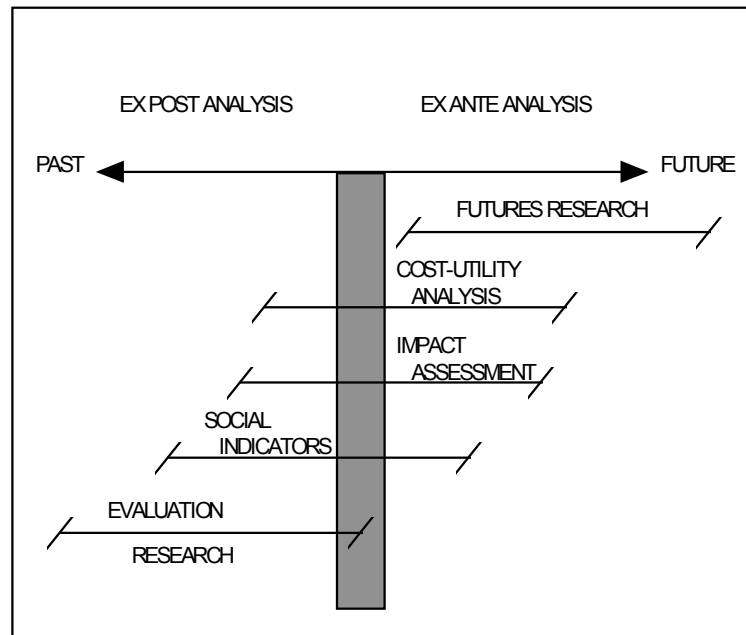
Policy appraisal considers the feasibility of policy proposals, presumably before a final decision is made. In the cyclical model, evaluation occurs after the implementation of a policy.

Carley (1980) seeks to clarify this confusion between the past and the future in policy analysis:

...Ex ante analysis is concerned with the future and involves the prediction of the consequences of various proposed courses of action on the basis of some model of the process involved. This means visualising alternative states of the world and then comparing these alternative futures in terms of established criteria. [This is] sometimes termed anticipatory research in that it provides information to decision-makers before particular actions take place. Ex post analysis, on the other hand, is a check on what did happen – examination and measurement of the actual consequences of some programme or policy. Ex post analysis provides evidence on which to base decisions about maintaining, institutionalising, or expanding successful programmes or modifying or abandoning unsuccessful ones, but not about predicting future effects. (p. 37).

Carley goes on to illustrate the placement of the various approaches to policy appraisal in time dimension (Fig. 2.3).

Figure 2.3: The time dimension in analysis



Source: Carley (1980)

Explanation of the factors included in Figure 2.3:

Futures research – forecasting

This is when forecasted social-psychological data is linked with other data to establish reality models for the future. Forecasts rely on some notion of causality by establishing likely outcomes of existing situations.

Cost-utility analysis

This involves a variety of methods, including cost-benefit analysis. Typically, feasible alternatives are identified, predictions of outcomes made for each, these outcomes given values (usually monetary) and a choice then made.

Impact assessment

This emerges in response to the reliance on monetary valuation. It explores the impact of various proposals, for example, assessing its environmental and social impact.

Social indicators

This method quantifies some, or many, of the multi-dimensions of social welfare (Carley, 1980).

Evaluation research

This method measures the effects of a programme against its objectives. The same method is also used for appraisal, that is, it can be used when replacing or adapting a policy.

Activity 2.11



Activity

1. Explain the difference between appraisal and evaluation.
2. All approaches have limitations. Some type of appraisal and attempt to rationalise decision-making is desirable. However, you will need to develop your own opinion about the validity of the various approaches. For instance, environmental impact studies for major developments such as airports often raise considerable interest.

Activity 2.12



Activity

Think about some policy issues currently being discussed or considered in your country.

1. Were any methods of appraisal or evaluation applied?

If so:

2. How rational were they?
3. Who is gathering the data and providing the information for analysis?
4. Who is setting up the parameters by which the policy is assessed?
5. What are the goals and values of these participants?
6. How neutral can they be?

Case studies



Case study

Case study comments

Case 2: A lot of appraisal is shown in this case, involving research on overseas cases, on the earlier policy (HEAC) and 600 submissions for the Green paper.

Case 7: It's suggested that problems with goal definition arose from the lack of appropriate data collection and understanding of social and cultural conditions. This would indicate that policy-makers should include in their appraisals a scan of social and cultural conditions, among other things.

Case 8: There is not much evidence of appraisal or evaluation in this case, but some mention is made to protesters demanding information and publishing facts in relation to estimates of water flows, inflated irrigation expectations, lack of land for resettlement and spiralling costs. There is also mention of



evidence having been compiled and provided to the Supreme Court. It appears that the Gujarat government was waiting for rehabilitation and environmental reports before it could raise the dam beyond 90 metres.

Case 11: The members of SPARC conducted appraisals of some sort through the collection of data about toilet provision. This data proved convincing in negotiation with local councils.

Case 12: This case does not explicitly reveal how extensive policy appraisal had been over the decades discussed. Policy appraisal methods could have been applied to the situations because of the evidence of data kept, for example, on the number of houses constructed by which group and sector. This data evaluated existing policy and appraised the situation so that new policy could be developed. Most assessment appears to be *ex post* but since decisions and changes to policy follow one after another, it can also be construed as *ex ante*.

Policy formulation

Policy formulation is the most obvious and essential part of policy-making. It is the stage at which decisions are clearly made, or at least expected to be made, and where policy is deliberately shaped. This shall be covered in more detail in Module 6.

Policy implementation

This is the translation of stated policy into action.

The two main approaches used to implement policy are:

Forward planning – the top-down approach

Much of what is committed to in formal policy statements is not achieved. Top-down implementation focuses on why this is so. It highlights the obstacles which cause an implementation gap.

Obstacles include such factors as:

- failure to provide adequate resources
- failure to obtain approval for the policy
- failure to accommodate the groups involved in executing the policy
- failure to adequately consider who is responsible for implementation
- failure to set priorities for the policy
- a change in government.

(Howe, 1983, pp. 120-128; McMaster, 1979, pp. 107-121)

As such there is a process of implementation analysis. McMaster (1979) defines this as “[a]n analysis of the bureaucratic, institutional and human factors which can contribute to the achievement or non-achievement of policy/programme objectives” (p. 107).

McMaster also cites Williams' (1971) definition:

...In its most central form, an inquiry about implementation seeks to determine whether an organisation can bring together men and materials as a cohesive organisational block and motivate them in such a way as to carry out the organisation's stated objective.
(p. 144)

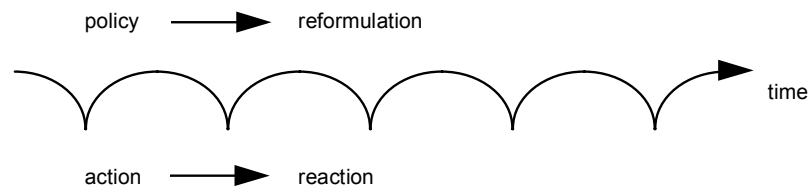
Therefore, the top-down approach identifies and seeks to remove the obstacles preventing policy from being implemented and meeting its stated objectives.

Forward planning – the bottom-up approach

This approach recognises that policy-making does not stop at the formulation stage but continues throughout its implementation. Indeed, sometimes the distinctions between the two are too tenuous to separate.

It represents the policy process as a policy-action continuum on which negotiation, bargaining and interaction take place over time (see Figure 2.4).

Figure 2.4: The policy-action continuum



Source: Barrett & Fudge (1981)

A policy is modified as it is implemented and it is difficult to identify where formulation ends and implementation begins. It is never clear whether policy is influencing action or action influencing policy. There are many actors involved, and their interests and circumstances change over time.

The proponents of the bottom-up method do not expect policy to meet predetermined goals. They simply analyse policy in the way it performs, regardless of whether it complies with pre-set goals.

Activity 2.13



Activity

1. Which method do you think is most appropriate when determining a policy?
2. Is a combination of methods more suitable?
3. If so, why?
4. Think of a policy in your country when one particular approach



clearly applied. Name the policy.

5. What was the approach used in determining the policy?
6. Why did that particular approach apply more than the other?

Implementation is a complicated process involving complex networks of participants. It has no discrete place in the policy process. Various approaches to the study of implementation highlight the complexities. They illustrate that implementation is not easily controlled and the policy is unlikely to be implemented exactly as it is formulated.

The following criteria provided by Lewis and Wallace (1984) provide measures to judge the success of implementation. They tend to align with the top-down approach. In their analysis, however, Lewis and Wallace found each had shortcomings.

Possible criteria for judging the success of policy implementation:

- The policy is carried out exactly and without variation.
- The policy achieved its objectives.
- The implementation of the policy resulted in the best possible outcome.
- The implementation of the policy produced the best outcome for the organisation(s) responsible for it.
- The implementation had no undesirable or unexpected side-effects.
- Measures taken to implement the policy were appropriately designed and cost-effective.
- The implementation met with general public consent.
- The implementation satisfied the expectations raised by the policy.

Activity 2.14



Activity

Apply the two approaches of implementation to policies currently in operation in your country.

1. What are the differences you found in applying the different approaches?
2. Which approach do you think gave the best implementation of the policy?
3. Why do you believe that approach worked best?

Case studies



Case study

Case study comments

Case 2: Implementation was relatively simple once the policy was acceptable to the Australian Taxation Office. Not mentioned in the case is the wider impact of implementation, as universities must keep records and provide them to the Taxation Office in order to know what debts are incurred by students.

Case 5: There were some policies and programmes in place for factory and worker safety, but there were only 15 inspectors checking on how safety was being ensured. This suggests that these programmes were not being effectively implemented.

Case 7: There is some support for the policy-action continuum in this case by the changing conditions and circumstances (covert political agendas and changing cultural environments). The entire case is about implementation and it questions the notions discussed above.

Case 9: An implementation gap is demonstrated with regard to the distribution of aid when it was expected to solve poverty problems in the specified area but went elsewhere.

Case 11: Attempts to provide toilets to informal settlements seem beset with problems. A chief cause appears to be a failure to understand how they would function with the existing infrastructure. Further investigation revealed that providing toilets was a quick-fix solution and unlikely to succeed unless sufficient numbers were supplied and waste disposal was taken care of. When new policies were put in place, community members became partners in their implementation.

Case 12: In this case there is evidence of gaps in implementation, where too little was achieved from a policy. The policy-action continuum seems to be very relevant to this case as there is a 60-year history of action and reaction, constant adjustment and introduction of various solutions to the housing problem.

Policy evaluation

Evaluation is similar to the concepts applied in policy appraisal. Many of the same methods and techniques apply.



Activity 2.15



Activity

Consider Carley's (1980) policy analysis methods (see Fig. 2.3) as ex ante or ex post.

1. Do you agree with his classification?
2. Explain your reason why or why not.

Policy evaluation takes into consideration the values, power and people involved, and while influence is clearly important at the early stages of policy development the same importance is applied at the evaluation stage.

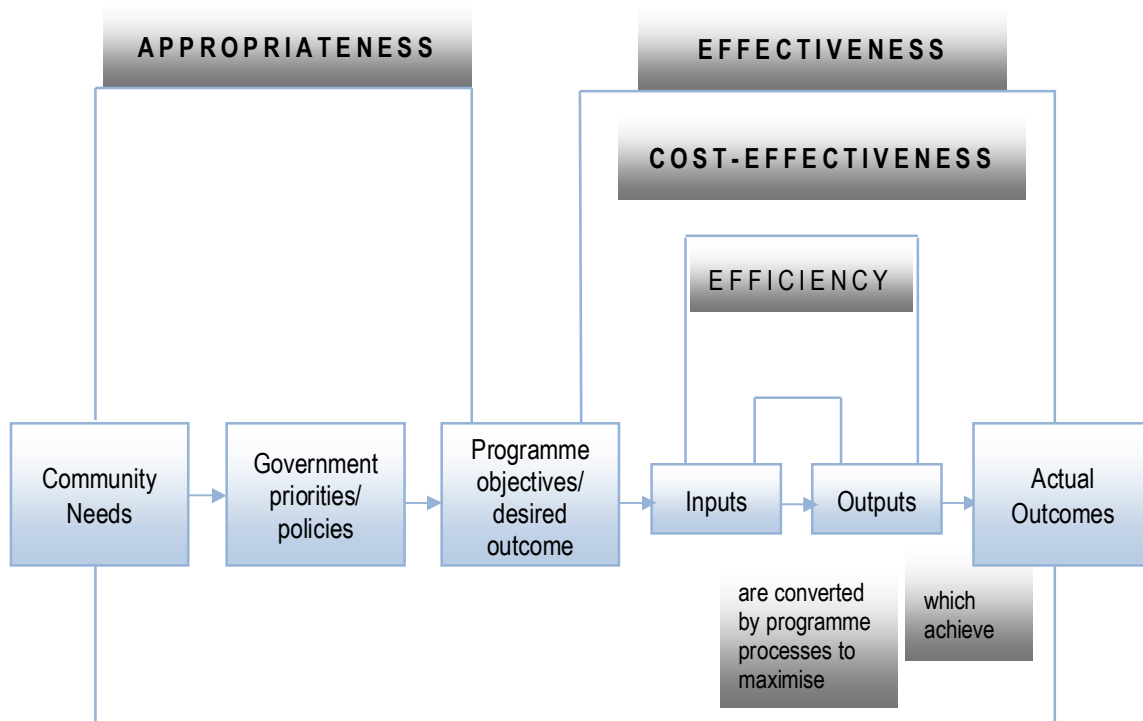
Policy evaluation often leads to policy change and for this reason it often precedes policy termination, reformulation and succession.

Bridgman and Davis (2000) suggest the following forms of evaluation:

- **Appropriateness evaluation** determines whether a programme is appropriate, often with the emphasis on whether it is the government that should be providing it.
- **Efficiency evaluation** determines how well inputs are used to gain the stated output.
- **Effectiveness evaluation** determines whether the programme produces worthwhile results or meets its stated objectives.
- **Meta-evaluation** assesses the process of evaluation.

See Figure 2.5.

Figure 2.5: Forms of Evaluation



Source: Bridgman and Davis (2000)

Case studies



Case study

Case study comments

Case 2: Evaluations of the HECS policy conducted are discussed on pages 132 to 134.

Case 5: Evaluation certainly occurred, although estimates of those injured and killed varied dramatically. It is interesting to note the sources of the differing figures and to speculate whether there might have been vested interest.

Case 7: There is a lot of information about evaluation and policy appraisal in this case.

Case 9: Some key evaluative studies are referred to in this case. One indicates that income distribution had become unequal despite a general growth in per capita output. The South Asia Human Development Report attributes Bangladesh's low population growth to women's empowerment. These examples of evaluation provide some evidence of the sort of analysis that can occur.



Case 12: There is not much evidence in this case to show that evaluation has occurred. View the case itself as an evaluation and consider what comments are being made.

Policy continuation

Policy succession is also known as termination or reformulation. This may be considered the final stage of the cyclical model. After policy has been initiated, formulated, implemented and evaluated a decision is made about whether the policy is continued, terminated or modified.

The quote from Carley about policy evaluation (*ex post*) indicates that it is used to determine whether policy should be continued, abandoned or modified. Often policies become redundant and there is pressure to change or modify them. Such a necessity can arise from a number of sources and relate either to specific or general trend to reallocate or reduce expenditure.

Several terms can be applied to this stage of policy-making.

Policy can be reformulated or modified “policy reformulation” it can be continued unchanged “policy continuation” – the general term “policy succession” covers both these possibilities. More recently, the term, “policy learning” has also been used. Policy can also be discontinued and the term “policy termination” is used for this.

There is considerable argument that policy succession will become important as demands increase on governments to legislate in more areas and cut back on expenditure. Governments may have to be far more selective about the number and type of policies they introduce, modify or terminate.

Despite the moves to policy succession there are problems with ending programmes.

These problems include:

- intellectual reluctance
- lack of political incentives
- institutional permanence
- dynamic conservatism
- anti-termination coalitions
- legal obstacles
- high start-up costs
- adverse consequences
- procrastination and refusal.

(Hogwood & Gunn, 1984)

Case studies



Case study

Case study comments

Case 9: This case gives some useful information about the way the philosophy and method of aid has changed in recent decades. These trends reveal changing aims, attitudes and understandings about the problem.

Case 12: There is a 60-year history of policy succession in this case study and it is interesting to note that old policies have not necessarily disappeared every time a new one came in. An overlay of various regulations and organisation types make the whole housing arena more complex. Although one policy can replace another, new policies can be seen to add to the array of existing governmental interventions.

Activity 2.16



Activity

Think of a policy that your government has terminated outright.

1. What policy was it and why was it terminated?
2. Did another policy replace it immediately or later?
3. What policies are currently being considered for change by your government?
4. Why have they been identified as needing change?
5. Does the reason for changing the policy relate to deficiencies in it or due to general pressure on the government under tightening economic circumstances?

The importance of policy in a modern context

Public policy is an extensive area; it incorporates aspects of sociology, politics, economics, organisational theory and other studies.

Although it is not easy to synthesise the array of information covered in this course, it is necessary to analyse policy issues in terms of the process, actors, values, power and the broader policy environment. The course assignments give you the opportunity to do this.

Constant analysis of cases helps the analysis. You do not have to fit cases into one theory, but you should use them. You may find each theory useful, deficient in some way or a mixture of both. Remember that theories are merely tools to help you to understand what is happening or what should happen. Not all are compatible.

Activity 2.17



Activity

1. What do you think is the best approach to studying public policy?
2. Do you have any alternative suggestions?
3. What are your alternative suggestions?
4. What criticisms can you make about the cyclical model of decision-making?
5. Explain why you have these criticisms.

Good policy

What constitutes good policy? Consider everyone with an interest in policy outcomes, their conflicting interests and values, and you will appreciate that defining good policy is somewhat arbitrary.

In policy analysis we consider:

- the content and its relationship to the objectives
- how it was implemented and how it achieved these objectives.

It is often espoused that policies need to be evaluated to ensure they are:

- effective (achieve their objectives)
- efficient (use available resources to the maximum level).

In order to determine whether policy is effective and efficient some measures need to be devised. These relate both to policy appraisal and to evaluation.

Such criteria include:

- identification of target groups (whether they were reached)
- identification of success standards, which usually requires comparison of some sort, such as:
 - comparison over time
 - comparison with similar agencies
 - comparison with different agencies providing similar services (this is important for comparing publicly provided and privately provided services)
 - comparison against a theoretical framework.

Policy is not easily measured. It is often difficult to identify who it targets or who is affected by it. It can be difficult to isolate the consequences and there may be conflicting or unclear objectives.

Establishing objectives and quantifiable criteria may prove difficult as there are always evaluators that have different perspectives.

Such a focus on the quantifiable tends to disregard some other important roles governments take on. Quality of life, equity and social justice are not easily achieved through quantitative evaluation.

It is impossible to avoid examining policy content and difficult for us to remain totally unbiased about it, but our focus is to examine the processes and participants of public policy-making to assess how policy emerges. Revisit the topic of policy terminology and consider the diversity of approaches taken when public policy is investigated. Some approaches lead to improved policy outcomes; others concentrate on the actual content of the policy.

Activity 2.18



Activity

Think of a situation in which measures were devised to assess if a policy was good or not.

1. What measures were they?
2. How did they improve or reduce the content of the policy?

Although formulation, implementation and reformulation have a place in developing and improving policy, evaluation and appraisal are critical.

It is important to go beyond mere process and look at the interactions occurring within the system. Methods of analysing policy are also relevant, such as process advocacy.

Case studies



Case study

Case study comments

Case 9: The author answers the question about “good” policy when questioning overseas aid criteria. Is Bangladesh a better place as a consequence of all the aid pumped into it?

Case 12: The definition of good policy in this case is difficult to gauge. To an extent, conclusions will depend upon political or ideological persuasion. Some may think the existence of successful self-build groups who exert political action is desirable, whereas others may think an unregulated free market is the only way to solve the problem. Within the case there are some useful comparisons over time and between various housing providers.

Managing policy

With public policy, always be aware of underlying assumptions and values. Question the validity of the models and theories being used.

Considine (1994) covers some of these complexities and suggests an innovative approach to structured policy.



Such an approach demands:

- a systematic application of human ingenuity and democratic values
- a recognition of the key role of social conflict
- concerted negotiation among all those affected
- reorganisation of public and private resources
- reconsideration of the values that determine the allocation of resources.

Consider the accompanying that request with two propositions:

1. Policy innovation occurs when there is an institutional system for increasing cultural value.
2. Policy innovation occurs through the expert networking of key social interests.

Case studies



Case study

Case study comments

Case 12: This case indicates the existence of conflict, negotiation among groups, reorganisation of funds between the public and private sectors and the need to consider and accommodate a vast array of issues, problems and interests. Managing the policy is multifaceted. Key committees and agencies are indirectly able to help management of complex policy areas, although the incorporation of one group leads, inevitably, to the exclusion of another.

Module summary



Summary

In this module we covered the basic concepts of public policy, including its definitions, objectives, instruments and the cyclical model used to understand its various stages. Subsequent modules will build on these concepts by exploring the systems, contexts and people involved in policy-making.



Activity 2.19



Activity

Having read this module, write down your definition of policy.

1. Has your definition changed?
2. If so how?

References



References

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- Barrett, S., & Fudge, C. (Eds.). 1981. *Policy and action: Essays on the implementation of public policy*. London: Methuen.
- Bridgman, P., & Davis, G. (2000). *Australian policy handbook* (2nd ed.). Sydney: Allen & Unwin.
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- McMaster, J. C. (1979). Implementation analysis: An overview. In *New developments in public sector management: proceedings of the first national conference held at Lakeside International Hotel, Canberra, Thursday 1 March-Friday 2 March, 1979*, pp. 107. Canberra: Centre for Continuing Education, Australian National University.
- Pollitt, C. (Ed.) (1979). *Public policy in theory and practice: A reader*.



Sevenoaks: Hodder & Stoughton.

Turner, M., & Hulme, D. (1997). *Governance, administration and development: Making the state work*. London: Macmillan.

Williams, W. (1971). *Social policy research and analysis; the experience in the Federal social agencies*. New York: American Elsevier.

Further reading



Further reading

The following readings will offer insights into the ways policy is defined, its nature and scope. Where relevant, specific parts of the readings are mentioned.

Note that some of these books have earlier or later editions and the chapter numbers may be different.

This is not a comprehensive list. You may find many other relevant sources for further reading.

Anderson, J. E. (1990). *Public policymaking: An introduction*. Boston: Houghton Mifflin.

Chapter 1 is particularly useful for definitions and approaches to public policy-making.

Barrett, S., & Fudge, C. (Eds.). (1981). *Policy and action: Essays on the implementation of public policy*. London: Methuen.

This book is valuable in establishing the idea that policy operates as a policy-action continuum.

Bridgman, P., & Davis, G. (2000). *Australian policy handbook* (2nd ed.). Sydney: Allen & Unwin.

This book adopts a cyclical approach to policy-making. Chapter 1 sets up some definitions and approaches, chapter 6 deals with policy instruments.

Carley, M. (1980). *Rational techniques in policy analysis*. Aldershot: Gower.

Part 1 of this book identifies the policy analysis process and its potential weaknesses.

Colebatch, H. K. (1997). *Policy*. Buckingham: Open University Press.

This small book is valuable and chapter 1 explores the ways policy is defined and understood.

Considine, M. (1994). *Public policy: A critical approach*. Melbourne: Macmillan.

Chapters 2 and 3 classify policy into policy systems, culture and political economy.

Dye, T. R. (1992). *Understanding public policy* (5th ed.). Englewood Cliffs: Prentice-Hall.

Ham, C., & Hill, M. 1984. *The policy process in the modern capitalist*



state. Brighton: Wheatsheaf.

Chapter 1 focuses on policy and policy analysis.

Hjern, B., & Porter, D. O. (1981). Implementation structures: A new unit of administrative analysis. *Organization Studies* 2(3), 211–227.

This article is about implementation.

Hill, M. (1993). *The policy process: A reader*. Hemel Hempstead: Harvester Wheatsheaf.

The three readings in Part I cover policy and policy analysis and those in Part IV are explore different approaches and issues with implementation.

Hogwood, B. W., & Gunn, L. A. (1984). *Policy analysis for the real world*. Oxford: Oxford University Press.

Chapters 1, 2 and 3 explore policy definition and analysis and the remainder explores all the stages of the cyclical model.

Howlett, M., & Ramesh, M. (1995). *Studying public policy: Policy cycles and policy subsystems*. Toronto: Oxford University Press.

Chapter 2 covers approaches to public policy and chapter 4 deals with policy instruments. The book in its entirety covers the policy cycle.

Parsons, W. (1995). *Public policy: an introduction to the theory and practice of policy analysis*. Cheltenham: Edward Elgar.

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Peters, B. G., & Nispen, F. K. M. van. (Eds.) (1998). *Public policy instruments: Evaluating the tools of public administration*. Cheltenham: Edward Elgar.

This book covers the instruments used by public or civil servants as they implement policy for government.

Pressman, J., & Wildavsky, A. (1984). *Implementation: how great expectations in Washington are dashed in Oakland* (3rd ed.). Berkeley: University of California Press.

This references implementation.

Sabatier, P. (1986). Top-down and bottom-up approaches to implementation research: A critical analysis and suggested synthesis. *Journal of Public Policy* 6, 21–48.

This article covers the two implementation approaches mentioned.

Stewart, R. G. (1999). *Public policy: strategy and accountability*.
Melbourne: Macmillan.

Part II outlines the stages of the cyclical model.

Turner, M., & Hulme. D. (1997). *Governance, administration and
development: Making the state work*. London: Macmillan.